

Minutes of the meeting held on Monday July 6, 2015

Present: Francis Murphy – Chair, James Monagle, Michael Gardner, Nadia Chamblin-Foster, John Shinkwin, Ellen Philbin, Attorney James Quirk and Chris Burns.

The meeting was called to order at 5:12 pm. The meeting was digitally recorded.

Agenda Item #1 – Minutes

Motion by Monagle, seconded by Chamblin-Foster to accept the regular minutes of the meeting held on June 8, 2015. The motion carried on a 4-0 vote, with Shinkwin abstaining.

Motion by Chamblin-Foster, seconded by Monagle to accept the executive session minutes of the meeting held on June 8, 2015. The motion carried on a 4-0 vote, with Shinkwin abstaining.

Agenda #2 - Warrant

Motion by Shinkwin, seconded by Monagle to accept payment of warrant #12 in the amount of \$5,891,454.73 and Warrant #13 in the amount of \$719,447.26. Voted unanimously.

Agenda Item #3 – Superannuations

Motion by Shinkwin, seconded by Chamblin-Foster to accept the superannuation retirement applications submitted by Joseph A. Amoroso, Attorney, Inspectional Services Department with thirty years four months, Paul Goldberg, Social Worker, Cambridge Health Alliance with ten years, James M. Greene, Patrol Officer, Cambridge Police Department with forty years seven months, Priscilla H. Lee, Teacher, Human Services Department with twenty years one month, Xiaodong Ma, Registered Nurse, Cambridge Health Alliance with twenty-two years nine months, Christine M. Peters, Paraprofessional/Cashier, Cambridge School Department with thirteen years one month, Barbara S. Smyth, Administrative Assistant, Department of Public Works with sixteen years ten months, Kenneth W. Souza, Firefighter, Cambridge Fire Department with thirty-two years. Voted unanimously.

Agenda Item #4 – Redeposits / Make up / Liability

The Board reviewed make-up and redeposit worksheets for five members.

Motion by Chamblin-Foster, seconded by Monagle to accept the redeposit of refunds requested by Jiovannie Chavez, one year seven months (pro-rated), Seth R. Federspiel, two years, to allow the make-up of contributions requested by Adam T. Betts, two months (pro-rated), Lynda M. Janul, two years seven months and Michael J. Levecque, eight months (pro-rated). Voted unanimously.

Agenda Item #5 – Refund Applications

The Board reviewed a list of refund applications submitted in June.

Motion by Monagle, seconded by Shinkwin to accept fourteen refund applications. Voted unanimously.

Agenda Item #6 – PERAC Memo

The Board reviewed PERAC Memo #12.

Quirk noted that this memo instructs that Boards may not allow inactive members to purchase creditable service except in certain limited circumstances.

Agenda Item #7 – Old Business

Gardner requested that Lazard provide an attribution analysis of their poor performance from June 2014 to present.

The Chairman requested to adjourn the open meeting and go into executive session for the purpose of discussing legal strategy. The Chairman stated that the meeting would reconvene in open session at the conclusion of the executive session.

On a roll call, the vote was as follows:

Michael Gardner:	YES
Nadia Chamblin-Foster:	YES
John Shinkwin:	YES
James Monagle:	YES
Francis Murphy:	YES

Agenda Item #8 - New Business

The Director distributed a settlement agreement between Joseph Tulimieri and the State Ethics Commission.

Gardner moved to take administrative notice of the Ethics Commission agreement, and to table the matter until the September meeting. Chamblin-Foster seconded the motion and it was voted unanimously.

Agenda Item #9 - Executive Session

Agenda Item #8 (Tulimieri) – Tabled

Agenda Item #10 - Chairman's Report

The Chairman stated that he did not feel that the managers at the last meeting provided helpful information on their diversity initiatives. He stated that he was concerned that some of the managers may not have understood that the Board was requesting a formal statement as part of the presentation. Chamblin-Foster stated that she would prefer that the managers send written information, rather than take up time discussing the matter during their presentations. Monagle stated that he would prefer to refocus the entire process of manager reviews by preparing a new list of questions for managers to answer in the course of their presentations. The Chairman appointed a committee, consisting of Gardner and Monagle to prepare a list of questions. He requested that they be prepared to report back at the October meeting. Chamblin-Foster stated that she was disappointed that Segal has not been more active in focusing the presentations on the most relevant information.

Agenda Item #11 - Executive Director's Report

The Director reported that Lazard agreed to reduce their management fee from 92 basis points to 80 points annually. This should result in savings of about \$60,000 per year.

KPMG auditors will be working in the Retirement office during the week of July 20th.

The Board agreed to start the September 1st meeting at 1:00 pm, and to consider investment matters at that time, before moving on to regular business.

The Board also reviewed the following documents:

- Notice of Retiree Death
- Correspondence from Attorney James H. Quirk re: Boston Retirement Board vs. CRAB & Edith Carell.
- Correspondence from Attorney James H. Quirk re: Mark Shore vs. Lowell Retirement Board.
- Correspondence from Attorney James H. Quirk re: vs. PRIM Management Board Meeting, June 4, 2015.

- Correspondence from Attorney James H. Quirk re: Michael McHugh vs. Belmont Retirement Board DALA Decision.
- Mass Retirees – re: Fossil Fuel Divestment.
- PERAC Pension News.
- Labaton Sucharow re: Securities Litigation Report.
- Lazard Asset Management – Portfolio Review.
- Pyramis – Monthly Investment Review.
- UBS Realty response to UNITE HERE.

Chamblin-Foster moved to adjourn at 6:05 pm.